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Firm Denies Oil Tools Sale Could Aid Soviet Military

Special to The Washington Star

Dresser Industries of Dallas has denied that its projected sale of \$144 million in advanced oil drilling technology would enhance the Soviet Union's military potential.

In a statement issued last night, the Dallas firm also rebuked those administration officials who are seeking to persuade President Carter to rescind the license issued to Dresser earlier this month for the export of the equipment.

The Washington Star reported yesterday that a dispute had arisen within the administration, with some officials trying to overturn the projected transaction.

This effort, organized by Zbigniew Brzezinski, Carter's national security affairs adviser, has run into sharp opposition from the Commerce and State departments which see no reason to cancel the deal.

Last night, the Dallas company accused Brzezinski, Energy Secretary James R. Schlesinger Jr. and Sen. Henry M. Jackson of being "willing to go to any lengths to question the president's decision and kill the

Dresser transaction as a symbol of their hard line attitude."

The statement was particularly critical of a report written last week by J. Fred Bucy, president of Texas Instruments, who argued against the Dresser sale in a report done for the Pentagon's Science Advisory Board.

Dresser said Bucy's views against selling technology to the Russians was well known and that asking him to do such a report meant the conclusions were "pre-ordained." The company said that the Pentagon had already judged that the sophisticated oil-drilling bits that would be produced in the Soviet Union as part of the transaction "would not significantly enhance Soviet military capability."

On Monday, Brzezinski convened a Cabinet-level meeting to seek approval for suspending the Dresser license, which was issued Aug. 9. But according to State Department officials, he failed to win the backing of the State and Commerce representatives and another meeting will probably be held later, after Secretary of State Cyrus R. Vance and Defense Secretary Harold Brown return from vacation.

— Bernard Gwertzman